Copy 6 of 9

18 May 1961

MEMORANDAM FOR : Chief, Development Branch, IPD-DD/P

SUBJECT I Conversion of U-2 Almerett to J-75 Configuration

1. I met with Mr. Bissell briefly after the DD/F Staff Meeting 13 May and told him that we were drawing up an activity program covering the conversion of a single U-2 to the J-75 version. I told him that there was provision in our FY 61 budget for this conversion, but that while we were at the mement pursuing the suggestion of only a single conversion in the paper coming to him, I wanted to get his feel for the possibility of a second conversion to follow this is order to save on the unit price.

2. I mentioned that Kelly Johnson had suggested this in the strongest terms as being not only economical from our point of view, but more so from his. For example, I cited the figure for retooling to convert one sireraft and the fact that if we did additional ones, the tooling cost would be able to be distributed among how ever many planes we converted. I also threw in Kelly's statement that we have continually pursued a policy of converting one at a time with resulting poor economy, and that even if we did not go shead with the final assembly of a conversion at this time, we would stand to save from outting tin for more than one.

reduce our number of J-75 engines if we were not going to make full use of reduce our number of J-75 engines if we were not going to make full use of them. Mr. Bissell said that he was disposed to view additional conversions them. Mr. Bissell said that he was disposed to view additional conversions that favorably, with the possible ultimate objective of completely phasing out the J-57 in our inventory. I said that while we did not provide funds in the FY 52 budget for conversions of this mort, we did have money for IRAM's as a continuing item, and since a conversion is accompanied by an IRAM, at there would be some effect to the added cost of conversion, since IRAM at the time of conversion was last expensive than when done by itself.

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of this nature case we had come up with the costs of fixing a second one and possibly a third. Therefore, the subject of additional conversions should not be touched upon in the activity progress now in work, but I will ask the Thirf, Naterial Staff to pursue the question of the follow-on savings and report to me prior to drawing up a second activity progress.

JAMES A. CUMMINGIAM, JR. Acting Chief, EPD-DD/P

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